



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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November 3, 2003

TO: Lowell P. Braxton, Director

THRU: Mary Ann Wright, Associate Director

THRU: D. Wayne Hedberg, Permit Supervisor

FROM: Paul B. Baker, Senior Reclamation Specialist

SUBJECT: Request for Release of Full Reclamation Surety, UMETCO Minerals Corp., Calliham Mine, M/037/023, San Juan County, Utah

On September 29, 2003, the Division received a letter from UMETCO Minerals Corp. requesting release of the surety bond for the Calliham Mine in San Juan County. The mine is mostly on private land, but a small portion is on land managed by the Bureau of Land Management. The purpose of this memorandum is to request your concurrence with releasing the site.

The site meets the criteria for release. In 2001, the Board of Oil, Gas and Mining awarded UMETCO with an Earth Day Award for its work in grading the site and covering waste materials with soil even when no soil was saved prior to disturbance. The operator moved some of the waste material, excavated soil, buried some of the waste, then covered the waste with the excavated soil.

The Division inspected the mine on August 8 and October 7, 2003, to determine whether revegetation and all other aspects of reclamation were adequate. Vegetation cover exceeds 70 percent of the cover in adjacent undisturbed areas, so it meets regulatory requirements for release.

The Bureau of Land Management representative in the area, Ted McDougall, said in an electronic mail message that only a small portion of the site is on BLM land and that he would defer to the Division's judgment for release (see attached hard copy of the e-mail message).

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If you are in agreement with the release of the operator's remaining reclamation surety of \$39,400, please sign the attached letter addressed to UMETCO authorizing bond release.

Thank you for your time and consideration of this request.

PBB:jb
Attachment. Release letter
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